

## IMPORTANT DETERMINANTS OF ONLINE SHOPPING AND CUSTOMER SATISFACTION

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### ABSTRACT

[*Online shopping or e-shopping refers to a kind of shopping where customers can purchase goods and services from sellers directly over the internet using a web browser without any physical appearance. This form of shopping helps the customers to do shopping simply with the help of a laptop or any other device without going to the physical store. The rapid expansion of internet users has changed the picture of online shopping. The conventional mode of shopping transformed into online shopping. In the form of e-shopping, customers need not visit physical outlets to purchase goods. There have been a number of studies regarding the factors that influence online shopping in India. However, most of the studies were based on the respondents of metro cities and urban areas. The present paper will investigate the factors that determine the purchasing decisions through online of a product by the rural and semi urban people. The current paper will examine the impact of customer reviews, offers & discounts Service quality and customer satisfaction of online shopping.]*

**Key Words:** Customer Review, E-commerce, Customer Satisfaction, Offers& Discounts, Service Quality

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### INTRODUCTION

Online shopping has been increasing rapidly since the last few years along with the rate of increasing internet users in India. E-commerce is an integral part of the retail business of an economy. During the covid pandemic, entire economic establishments were closed and online shopping was the online option for the people. Online shopping or e-shopping refers to a kind of shopping where customers can purchase goods and services from sellers directly over the internet using a web browser without any face to face contact between buyers and sellers. This form of shopping helps the customers to do shopping simply with the help of a laptop or any other device without going to the physical store. Since the covid lockdown, the number and volume of e-commerce have been increasing by many folds in India. Most of the sectors of the economy offer their services online. Earlier people were using online services merely for railway tickets, air tickets and other limited services. However, this scenario has changed a lot and now people are using online services for almost everything. It is expected that very soon India will surpass the United States of America to become one of the leading countries in the world in e-commerce business. As per one independent report, by the end of 2022, the internet users in India will significantly cross 800 million. The government schemes like the digital India programme, make in India, Skill India etc have been very helpful in the development of e-commerce business in India. There have been a number of studies regarding the factors that influence online shopping in India. However, most of the studies were based on the respondents of metro cities and urban areas. The present paper will investigate the factors that influence the online purchasing decisions of a rural and semi urban based customers. The current paper will examine the impact of customer

reviews, offers & discounts Service quality and customer satisfaction of online shopping.

## PURPOSE OF THE STUDY

The present paper is to investigate the following points of online shopping

- # To know the relationship between speed of delivery and customer satisfaction.
- # To know the relationships between after sale service and customer satisfaction.
- #To know the service quality of the seller and customer satisfaction.
- # To know the relationship between customer review & ratings of a product and consumers decisions to buy a product.
- #To know the impact of discounts & offers on customers purchasing decisions.

## THEORETICAL BACKGROUND

The present study examines the factors that influence customers while making online shopping. For the study, secondary information was taken from various published available sources in the related topic. For primary data, information was directly taken from the respondents by creating a questionnaire in the Google form. The questionnaire was consisting of three main parts. The first part of the questionnaire was to get the demographic and social information of the respondents. The second part was about the experience of previous online shopping and the final part of the questionnaire was about the factors which influence customer to make online shopping. All the factors were measured on five point scale where point five refers to most likely and gradually point one refers to least.

The rapid expansion of internet users has changed the picture of online shopping. The conventional mode of shopping transformed into online shopping. In the form of e-shopping, customers need not visit physical outlets to purchase goods. The customer can purchase from online shopping stores or from online shopping mobile applications merely staying in front of laptop, mobile or any other device. A survey report by IT Company Capgemini since the advent of covid pandemic and its subsequent lockdown the number of people using e-shopping platforms for purchasing goods and services has increased by many folds. Various independent researchers have pointed out different benefits of online shopping. Some of the benefits of online shopping are shopping round the clock, time saving, unlimited product browsing and many more. The form of online shopping is getting popular and popular day by day among the educated young people in India. According to Khalid Saleh, the CEO of a major company, customer rating and review of a product is a dominant factor in online shopping. He pointed out that nearly eighty percent of people go through product rating and review before going to purchase a product online. Most of the companies nowadays get the customer review and ratings of their product and put it online so that customers can have better knowledge of the product.

## RESEARCH

The present study was an attempt to investigate the impact of the following factors on the purchasing decisions of the customer in online shopping.

- # Speed of Delivery
- # Offers & Discounts

- # Customer ratings & Customer reviews
- # Service Quality of Seller
- # After sale service

The present study was conducted in Assam. A total of 140 respondents participated where 76 were female and 64 were male. The following figure shows the age wise distribution of respondents.

**Table 1: Age Wise Distribution of Respondents**

<b>Under 20 years</b>	<b>07.60%</b>
<b>21-30</b>	<b>34.40%</b>
<b>31-35</b>	<b>37.26%</b>
<b>36-40</b>	<b>20.74%</b>

The table 1 reveals that customers doing online shopping are higher among the younger generation which is between the age bracket of 21 and 35 years.

**Table 2: Occupaion Wise Distribution of the Respondents**

Student	22.42%
Govt. Employees	31.26%
Professionals	36.20%
others	10.20%

Table 2 shows the occupational structure of the respondents. The table reveals which category of respondents are purchasing more through online platforms. Whether it is students, govt employees or professionals.

**Table 3: Frequency of E-Shopping**

<b>Weekly</b>	<b>15.44%</b>
Once in every Fortnight	39.33%
Once a month	37.50%
Every two months	07.72%
Never bought online	00.00%

Table 3 help us to know the frequency of online shopping by the customers.

**Table 4: Determinants of Online Purchase Decision**

Weightage	5	4	3	2	1
<b>Speed of Delivery(2)</b>	72.26%	16.09%	07.23%	04.42%	00.00%
<b>Customer reviews &amp; ratings(3)</b>	62.47%	24.11%	01.70%	00.00%	00.00%
<b>Service quality of seller(4)</b>	49.55%	27.12%	17.20%	05.18%	00.97%
<b>Offers &amp; Discounts(1)</b>	86.25%	12.05%	01.70%	00.00%	00.00%
<b>After sale service(5)</b>	42.88%	38.66%	11.25%	06.30%	01.00%

## FINDINGS

The findings of the present study can be summarized as follows-

- Online shopping has become an integral part of people's day to day life. It is getting highly popular among student, professionals and government employees.
- People find online shopping convenient and time saving. During the covid lockdown, people found it the most preferred way of shopping.
- There is a positive relationship between the number of internet users and the volume of online shopping,
- Among the different factors, people are more inclined to offers and discounts while making online purchases. This has been proved by table 4 where 86.25% of people have given maximum weightage.
- Besides offers and discounts(5) other important determinant factors of online shopping on a priority basis are Speed of delivery(2), customer reviews & ratings(3), service quality of seller(4) and the least important factor was after sale service(5).

There is possibility of rapid growth in the online business in India. Online business provides a number of benefits to buyers as well as to sellers. Due to these benefits, the volume of e-commerce has been rising. According to one estimate e-commerce business will rise from 14.10% to 22.00% by the end of 2023. There may be some limitations of e-commerce but still, there is a great future for e-commerce in India.

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